

**261—68.1(15) Administrative procedures and definitions.**

**68.1(1) *Administrative procedures.*** The HQJC program is subject to the requirements of the department's rules located in 261—Part VII, additional application requirements and procedures, and 261—Part VIII, legal and compliance.

**68.1(2) *Definitions.*** In addition to the standard definitions located in 261—Chapter 173, the following definitions apply to the HQJC program:

“*Act*” means Iowa Code sections 15.326 to 15.337.

“*Annual base rent*” means the business's annual lease payment minus taxes, insurance and operating or maintenance expenses.

“*Biotechnology-related processes*” means the use of cellular and biomolecular processes to solve problems or make products. For purposes of this definition, farming activities shall not be included.

“*Community*” means a city, county, or other entity established pursuant to Iowa Code chapter 28E.

“*Community base jobs*” means the total number of full-time jobs the business employs at the time of application for tax incentives and assistance less any retained jobs.

“*High quality jobs*” means created jobs that, at minimum, have a starting wage, including benefits, equal to or greater than 130 percent of the average county wage or the wage established by the board as a result of the wage waiver process.

“*Program*” means the high quality job creation program.

“*Project*” means the activity, or set of activities, proposed in the application by the business which will result in accomplishing the goals of the program and for which the business is requesting tax incentives and assistance. A project shall include the start-up, location, expansion, or modernization of a business.

“*Project initiation*” means any one of the following:

1. The start of construction of new or expanded buildings;
2. The start of rehabilitation of existing buildings;
3. The purchase or leasing of existing buildings; or
4. The installation of new machinery and equipment or new computers to be used in the operation of the business's project.

The purchase of land or signing an option to purchase land or earth moving or other site development activities not involving actual building construction, expansion or rehabilitation shall not constitute project initiation.

“*Qualifying investment*” means a capital investment in:

1. Real property including the purchase price of land and existing buildings and structures.
2. Site preparation.
3. Improvements to real property.
4. Building construction.
5. Long-term lease costs.
6. Depreciable assets.

“*Value-added agricultural products*” means agricultural products which, through a series of activities or processes, can be sold at a higher price than the original purchase price.